

**Part of the Financial
Statements
translated from the
Hebrew original**

ZUR SHAMIR HOLDINGS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2020

UNAUDITED

Please find attached an extract English translation of the Hebrew version of the interim consolidated financial statements of Zur Shamir Holdings Ltd. which were approved on May 31, 2020.

The full set of financial statements in Hebrew can be viewed on the website of the Israeli Securities Authority (<http://www.magna.isa.gov.il>).

ZUR SHAMIR HOLDINGS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2020

UNAUDITED

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AUDITORS' REPORT

To the Shareholders of

ZUR SHAMIR HOLDINGS LTD.

Introduction

We have reviewed the accompanying financial information of ZUR SHAMIR HOLDINGS LTD. and its subsidiaries (hereunder - the Group) which comprise the condensed consolidated statements of financial position as of March 31, 2020, and the related condensed interim consolidated statements of profit or loss, comprehensive income (loss), changes in equity and cash flows for the period of three months then ended, The Company's Board of Directors and Management are responsible for the preparation and presentation of interim financial information for this period in accordance with IAS 34, "Interim Financial Reporting" and in accordance with the disclosure requirements as prescribed by the Supervisor of Insurance Business pursuant to the Supervision of Financial Services (Insurance) Law, 1981, and are also responsible for the preparation of financial information for this interim period in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970, to the extent that these regulations apply to a corporation that unifies insurance companies. Our responsibility is to express a conclusion regarding the financial information for this interim period, based on our review.

We did not review the condensed interim financial information of consolidated subsidiaries whose assets constitute about 18.1% of the total consolidated assets as at March 31, 2020, and whose revenues constitute about 6.3% of the total consolidated revenues for the three-month period then ended. The condensed interim financial information of those companies was reviewed by other auditors whose review reports were furnished to us, and our opinion, insofar as it relates to the financial information in respect of those companies, is based on the review reports of the other auditors.

Scope of review

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 and in accordance with the disclosure requirements as prescribed by the Supervisor of Insurance Business pursuant to the Supervision of Financial Services (Insurance) Law, 1981,

Conclusion (Cont.)

In addition to the abovementioned, based on our review and on the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not comply, in all material respects, with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970, to the extent that these regulations apply to a corporation that unifies insurance companies.

Without qualifying our above conclusion, we draw attention to Note 5 to the financial statements regarding exposure to class actions and the approval of claims as class actions of a subsidiaries.

Tel-Aviv,
May 31, 2020

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31,		December 31,
	2020	2019	2019
	Unaudited		Audited
	NIS in thousands		
CURRENT ASSETS			
Cash and cash equivalents	1,604,004	1,071,866	1,036,189
Cash and cash equivalents for yield-dependent contracts	6,677	11,836	6,528
Financial assets	886,435	1,049,485	935,505
Derivatives	42,812	17,561	14,111
Outstanding insurance premiums	561,713	613,176	542,841
Debtors and receivables	203,570	188,053	176,106
Deposits	45,384	23,336	62,288
Current tax receivable	25,864	10,042	32,021
Reinsurance assets	359,619	161,027	227,324
Deferred acquisition costs	139,312	142,225	138,761
	<u>3,875,390</u>	<u>3,288,607</u>	<u>3,171,674</u>
Assets designated for sale	<u>1,793,163</u>	<u>1,573,716</u>	<u>1,899,554</u>
	<u>5,668,553</u>	<u>4,862,323</u>	<u>5,071,228</u>
NON-CURRENT ASSETS			
Financial assets	2,765,612	2,817,323	2,768,689
Derivatives	15,159	9,895	17,387
Investment property and investment property under construction	4,382,660	4,143,650	4,337,614
Reinsurance assets	641,058	503,177	686,561
Fixed assets	263,084	257,805	267,353
Deferred acquisition costs	217,271	205,669	215,370
Debtors and receivables	74,533	77,596	74,178
Deposits	44,199	125,336	44,474
Goodwill and intangible assets	400,240	353,133	390,771
Deferred taxes	10,829	9,596	10,087
	<u>8,814,645</u>	<u>8,503,180</u>	<u>8,812,484</u>
	<u>14,483,198</u>	<u>13,365,503</u>	<u>13,883,712</u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31,		December 31,
	2020	2019	2019
	Unaudited		Audited
	NIS in thousands		
CURRENT LIABILITIES			
Financial liabilities	2,440,091	1,848,556	1,818,809
Creditors and payables	996,168	861,250	949,233
Current taxes payable	11,344	5,726	18,496
Derivatives	29,040	6,866	32,924
Liabilities for insurance contracts and investment contracts	<u>1,512,281</u>	<u>1,478,334</u>	<u>1,413,727</u>
	<u>4,988,924</u>	<u>4,200,732</u>	<u>4,233,189</u>
NON-CURRENT LIABILITIES			
Financial liabilities	5,529,861	5,172,529	5,488,687
Creditors and payables	116,624	106,377	117,404
Liabilities for insurance contracts and investment contracts	2,287,564	2,207,026	2,355,321
Liabilities for employee benefits	38,054	35,014	43,189
Derivatives	59,286	36,451	38,933
Deferred taxes	<u>215,173</u>	<u>200,357</u>	<u>264,516</u>
	<u>8,246,562</u>	<u>7,757,754</u>	<u>8,308,050</u>
EQUITY			
Share capital	144,174	143,949	144,174
Share premium	58,301	56,159	58,301
Reserves	(156,443)	(148,273)	(136,292)
Retained earnings	<u>69,848</u>	<u>333,049</u>	<u>110,743</u>
Total equity attributed to the Company's shareholders	115,880	384,884	176,926
Non-controlling interests	<u>1,131,832</u>	<u>1,022,133</u>	<u>1,165,547</u>
Total equity	<u>1,247,712</u>	<u>1,407,017</u>	<u>1,342,473</u>
	<u><u>14,483,198</u></u>	<u><u>13,365,503</u></u>	<u><u>13,883,712</u></u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT AND LOSS

	Three months ended		Year ended
	March 31,		December 31,
	2020	2019	2019
	Unaudited		Audited
	NIS in thousands		
INCOME			
Premiums earned on retention	510,161	543,073	2,131,773
Income from lease of properties	58,667	58,693	234,177
Increase (decrease) of value of investment property and property under construction, net	(13,803)	442	159,161
Net gains (losses) from investments, net and other finance income (expenses)	(44,792)	31,185	168,489
Income from management fees	1,291	1,340	5,434
Income from grant of consumer credit	65,676	147,020	609,657
Income from commissions	23,376	21,818	96,067
Other income	740	6,269	8,532
Total income	<u>601,316</u>	<u>809,840</u>	<u>3,413,290</u>
EXPENSES			
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	317,737	379,966	1,479,946
Marketing and other acquisition expenses	147,254	143,502	593,884
Maintenance, administrative and general expenses	127,595	100,613	428,881
Finance expenses	62,288	52,182	302,949
Losses (income) from revaluation of an option to Leumi Partners	(8,620)	-	13,210
Other expenses	481	-	733
Total expenses	<u>646,735</u>	<u>676,263</u>	<u>2,819,603</u>
Income (loss) before taxes on income	(45,419)	133,577	593,687
Taxes on income (tax benefit)	(8,520)	45,068	215,078
Net income (loss)	<u>(36,899)</u>	<u>88,509</u>	<u>378,609</u>
Attributed to:			
Company's shareholders	(36,285)	31,870	126,821
Non-controlling interests	(614)	56,639	251,788
	<u>(36,899)</u>	<u>88,509</u>	<u>378,609</u>
Net earnings (losses) per share attributed to the Company's shareholders (in NIS):			
Basic net earnings (losses)	<u>(0.56)</u>	<u>0.49</u>	<u>1.96</u>
Diluted net earnings (losses)	<u>(0.56)</u>	<u>0.49</u>	<u>1.92</u>

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(LOSS)**

	Three months ended		Year ended
	March 31,		December 31,
	2020	2019	2019
	Unaudited		Audited
	NIS in thousands		
Net income (loss)	(36,899)	88,509	378,609
Other comprehensive income (loss) (after the tax effect):			
Amounts that will be reclassified to profit or loss			
Net change in respect of debt instruments measured at fair value through other comprehensive income (loss)	(18,727)	7,689	9,672
Net change in respect of debt instruments measured at fair value through other comprehensive income (loss) transferred to profit or loss	(819)	1,086	78
Loss from cash flow hedging transactions	(2,233)	(4,937)	(5,376)
Adjustments resulting from the translation of financial statements of activities abroad	(27,762)	(27,069)	(56,877)
Amounts that will not be reclassified subsequently to profit or loss			
Revaluation of fixed assets	-	-	2,816
Income (loss) from remeasurement in respect of defined benefit plan	3,538	-	(3,536)
Total other comprehensive loss	(46,003)	(23,231)	(53,223)
Total comprehensive income (loss)	(82,902)	65,278	325,386
Total comprehensive income (loss) attributed to:			
Company's shareholders	(56,760)	20,712	101,369
Non-controlling interests	(26,142)	44,566	224,017
	(82,902)	65,278	325,386

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company					Non controlling interests	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Total		
	NIS in thousands						
Balance at January 1, 2020 (Audited)	144,174	58,301	(136,292)	110,743	176,926	1,165,547	1,342,473
Loss	-	-	-	(36,285)	(36,285)	(614)	(36,899)
Total other comprehensive loss	-	-	(20,475)	-	(20,475)	(25,528)	(46,003)
Total comprehensive loss	-	-	(20,475)	(36,285)	(56,760)	(26,142)	(82,902)
Acquisition of share of subsidiary	-	-	-	(4,610)	(4,610)	(3,397)	(8,007)
Cost of share-based payment	-	-	324	-	324	1,174	1,498
Dividend to non-controlling interest holders	-	-	-	-	-	(5,350)	(5,350)
Balance at March 31, 2020 (Unaudited)	<u>144,174</u>	<u>58,301</u>	<u>(156,443)</u>	<u>69,848</u>	<u>115,880</u>	<u>1,131,832</u>	<u>1,247,712</u>
	Attributable to equity holders of the Company					Non controlling interests	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Total		
	NIS in thousands						
Balance at January 1, 2019 (Audited)	143,947	56,150	(137,126)	313,039	376,010	1,002,214	1,378,224
Net income	-	-	-	31,870	31,870	56,639	88,509
Total other comprehensive loss	-	-	(11,158)	-	(11,158)	(12,073)	(23,231)
Total comprehensive income (loss)	-	-	(11,158)	31,870	20,712	44,566	65,278
Cost of share-based payment	-	-	20	-	20	990	1,010
Realization of options to Company's shares	2	9	(9)	-	2	-	2
Realization of options to shares in subsidiaries by non-controlling interest holders	-	-	-	140	140	(65)	75
Dividend to Company's shareholders	-	-	-	(12,000)	(12,000)	-	(12,000)
Dividend to non- controlling interest holders	-	-	-	-	-	(25,572)	(25,572)
Balance at March 31, 2019 (Unaudited)	<u>143,949</u>	<u>56,159</u>	<u>(148,273)</u>	<u>333,049</u>	<u>384,884</u>	<u>1,022,133</u>	<u>1,407,017</u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<u>Attributable to equity holders of the Company</u>				<u>Total</u>	<u>Non controlling interests</u>	<u>Total equity</u>
	<u>Share capital</u>	<u>Share premium</u>	<u>Reserves</u>	<u>Retained earnings</u>			
	<u>Audited</u>						
<u>NIS in thousands</u>							
Balance at January 1, 2019	143,947	56,150	(137,126)	313,039	376,010	1,002,214	1,378,224
Net income	-	-	-	126,821	126,821	251,788	378,609
Total other comprehensive loss	-	-	(25,452)	-	(25,452)	(27,771)	(53,223)
Total comprehensive income (loss)	-	-	(25,452)	126,821	101,369	224,017	325,386
Cost of share-based payment	-	-	76	-	76	3,437	3,513
Realization of options to Company's shares	2	14	(14)	-	2	-	2
Issue and acquisition of shares of subsidiary	-	-	53,235	(49,273)	3,962	199,541	203,503
Issuance of share capital	225	2,137	-	-	2,362	-	2,362
Realization of options to shares in subsidiaries by non-controlling interests and acquisition of shares by subsidiary	-	-	-	(7,575)	(7,575)	(1,323)	(8,898)
Acquisition of subsidiary shares	-	-	(27,011)	(245,269)	(272,280)	(180,542)	(452,822)
Dividend to Company shareholders	-	-	-	(27,000)	(27,000)	-	(27,000)
Dividend to non- controlling interest holders	-	-	-	-	-	(81,797)	(81,797)
Balance at December 31, 2019	<u>144,174</u>	<u>58,301</u>	<u>(136,292)</u>	<u>110,743</u>	<u>176,926</u>	<u>1,165,547</u>	<u>1,342,473</u>

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended
	March 31,		December 31,
	2020	2019	2019
	Unaudited		Audited
	NIS in thousands		
CASH FLOWS PROVIDED BY CURRENT ACTIVITIES (APPENDIX A)	523,385	93,810	102,284
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Settlement (grant) of deposits, net	16,592	(22,648)	27,433
Acquisition of fixed assets and investment property and investment property under construction	(155,852)	(53,487)	(183,554)
Interest paid and capitalized to cost of investment property under construction	(645)	(1,640)	(9,498)
Proceeds from sale of fixed assets and investment property	1,341	150	2,774
Proceeds in respect of hedging transactions	6,355	270	22,135
Payment in respect of hedging transactions	(1,527)	(3,656)	(8,174)
Acquisition of intangible assets	(23,979)	(20,104)	(90,625)
Acquisition of subsidiaries consolidated for the first time (Appendix D)	-	-	(1,989)
Net cash used in investment activity	(157,715)	(101,115)	(241,498)
CASH FLOWS FROM FINANCE ACTIVITIES			
Settlement of CPI hedging transactions and interest rate determination	-	134	(106)
Acquisition of shares of a subsidiary, net	(8,007)	-	(461,742)
Buy back of bonds in subsidiary	(9,695)	-	-
Proceeds from the issue of bonds and subordinated deeds in a subsidiary, net	-	-	996,692
Proceeds from the realization of options to shares in a subsidiary	-	75	22
Proceeds from the realization of options to Company's shares	-	2	2
Issue of Company shares, net	-	-	2,362
Proceeds from the issue of Company bonds, net tax	-	-	410,861
Issue and sale of shares, net of subsidiaries to non-controlling interests	-	-	203,503
Settlement of bonds and subordinated deeds in a subsidiary	(128,646)	(151,238)	(665,209)
Settlement of Company bonds	-	-	(337,117)
Settlement of lease liability	(2,869)	(2,634)	(11,811)
Receipt of long-term loans from banking institutions and others, net	419,649	41,480	218,583
Settlement of long-term loans from banking institutions and others, net	(63,896)	(56,116)	(320,552)
Dividend paid to the shareholders of the Company	-	-	(27,000)
Dividend paid to non-controlling Interest holders	-	-	(81,797)
Net cash provided by (used in) finance activity	206,536	(168,297)	(73,309)
Exchange rate differences in respect of balances of cash and cash equivalents	(4,242)	(4,734)	(8,798)
Increase (decrease) in cash and cash equivalents	567,964	(180,336)	(221,321)
Balance of cash and cash equivalents as at the beginning of the period (Appendix B)	1,042,717	1,264,038	1,264,038
Balance of cash and cash equivalents as at the end of the period (Appendix C)	1,610,681	1,083,702	1,042,717

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended
	March 31,		December 31,
	2020	2019	2019
	Unaudited		Audited
	NIS in thousands		
APPENDIX A - CASH FLOWS FROM CURRENT ACTIVITIES			
Net income (loss)	(36,899)	88,509	378,609
Adjustments to profit or loss items:			
Losses (profits) from financial investments for yield dependent contracts	27,948	(12,285)	(32,458)
Losses (profits) from other financial investments	18,138	(111,685)	(469,424)
Depreciation and amortization	25,369	20,937	89,665
Loss (profit) from sale of fixed assets	470	(8)	612
Cost of share-based payment	1,498	1,010	3,513
Finance expenses, net	62,288	52,182	302,949
Losses (income) from revaluation of an option to Leumi Partners	(8,620)	-	13,210
Investment income, net and other finance income	(11,149)	(8,244)	(48,286)
Decrease (increase) in value of investment property	13,803	(442)	(159,161)
Taxes on income (tax benefit)	(8,520)	45,068	215,078
	121,225	(13,467)	(84,302)
Other financial investments:			
Net sales (acquisitions) of financial investments	20,220	(279,717)	(243,713)
Acquisition and investment of investment property in consolidated insurance company	(755)	-	(844)
	19,465	(279,717)	(244,557)
Changes in asset and liability items:			
Change in liabilities for non-yield-dependent insurance contracts	66,988	129,255	217,430
Change in liabilities for yield-dependent contracts	(36,191)	6,866	2,379
Change in deferred acquisition costs	(2,452)	(6,825)	(13,062)
Change in reinsurance assets	(86,792)	(137,689)	(387,370)
Change in employee benefit liabilities	242	-	2,801
Short-term credit, net from banking institutions and others in respect of grant of consumer credit grant activity	498,256	384,935	215,359
Change in outstanding premium	(18,872)	(37,369)	32,966
Change in debtors and receivables	(28,748)	(35,137)	(6,826)
Change in creditors and payables	48,558	44,582	195,053
	440,989	348,618	258,730
Cash paid and received during the period for:			
Interest paid	(52,825)	(62,551)	(277,082)
Interest received	62,330	62,803	222,204
Taxes paid	(54,129)	(88,363)	(204,966)
Taxes received	21,235	36,277	42,470
Dividend received	1,994	1,701	11,178
	(21,395)	(50,133)	(206,196)
Total cash flows provided by current activities	523,385	93,810	102,284

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended		Year ended
	March 31,		December 31,
	2020	2019	2019
	Unaudited		Audited
	NIS in thousands		
APPENDIX B - CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD			
Cash and cash equivalents for yield-dependent contracts	6,528	4,881	4,881
Other cash and cash equivalents	<u>1,036,189</u>	<u>1,259,157</u>	<u>1,259,157</u>
Balance of cash and cash equivalents as at the beginning of the period	<u>1,042,717</u>	<u>1,264,038</u>	<u>1,264,038</u>
APPENDIX C - CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD			
Cash and cash equivalents for yield-dependent contracts	6,677	11,836	6,528
Other cash and cash equivalents	<u>1,604,004</u>	<u>1,071,866</u>	<u>1,036,189</u>
Balance of cash and cash equivalents as at the end of the period	<u>1,610,681</u>	<u>1,083,702</u>	<u>1,042,717</u>
APPENDIX D - ACQUISITION OF SUBSIDIARIES CONSOLIDATED FOR THE FIRST TIME			
Fixed assets	-	-	9
Goodwill	-	-	1,018
Intangible assets	-	-	1,444
Deferred taxes	-	-	(296)
Working capital (excluding for cash and cash equivalents)	<u>-</u>	<u>-</u>	<u>(186)</u>
	<u>-</u>	<u>-</u>	<u>1,989</u>
APPENDIX E - SIGNIFICANT NON-CASH ACTIVITIES			
Acquisition of fixed asset, investment property and property under construction against creditors and payables	<u>10,167</u>	<u>21,666</u>	<u>24,634</u>
Recognition of a right to use asset against a lease liability	<u>-</u>	<u>65,489</u>	<u>65,489</u>
Dividend declared and not yet paid to Company's shareholders	<u>-</u>	<u>12,000</u>	<u>-</u>
Dividend declared and not yet paid to non-controlling interest holders	<u>5,350</u>	<u>25,572</u>	<u>-</u>

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 3:- SEGMENTS OF ACTIVITY

a. The Company operates in the following segments of activity:

1. The segment of life assurance and long-term savings

The segment of life assurance and long term savings includes the lines of life assurance and it focuses on insurance coverage for various risks such as: death, disability, disability income insurance, etc. and on long term savings (in the framework of various types of insurance policies).

2. Health insurance segment

The segment of health insurance includes medical expenses, personal accident, dread disease and travel abroad.

3. General insurance segment

The segment of general insurance includes the liability and property branches. Pursuant to the Regulator of Insurance's directives, the general insurance segment is detailed according to the lines of motor act, motor casco, property and others and other liabilities.

a. The motor act insurance line of business

The motor act insurance line of business focuses on coverages that their acquisition by the owner of the vehicle or the driver is compulsory by law and it provides a coverage for bodily injuries (to the driver of the vehicle, the passengers in the vehicle or to the pedestrians), as a result of the use of the motor vehicle.

b. The motor casco line of business

The motor casco line of business focuses on the property damage coverage for the insured vehicle and property damages that the insured vehicle will cause to a third party.

c. Property and other branches

The rest of the insurance lines of business that are not vehicle and liabilities mainly residential line.

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS

NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)

a. The Company operates in the following segments of activity: (Cont.)

3. General insurance segment (Cont.)

d. Other liabilities branches

Liabilities lines are designated for coverage of the policyholder liabilities in respect of damage he causes to a third party. Including: third party liability, employers' liability and professional liability.

4. Granting of consumer credit segment

Includes granting of consumer credit activity for the acquisition of vehicles (mainly second hand), granting of credit for loans for any purpose and granting loans for special purposes in different businesses.

5. Investment property

Includes mainly the lease of office buildings in Israel, Canada, Poland and Belgium.

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)**

b. Hereunder are the results of the segments of activity:

	Three months ended as at March 31, 2020										
	Investment property	Life assurance and long term savings	Health insurance	General insurance				Consumer credit granted	Unallocated and offset in activities between segments	Total	
				Motor act	Motor casco	Property and others	Other liabilities				Total
NIS in thousands											
INCOME											
Premiums earned on retention	-	71,002	63,050	42,945	296,252	32,315	4,597	376,109	-	-	510,161
Income from lease of properties	60,603	-	-	-	-	-	-	-	-	(1,936)	58,667
Decrease of value of investment property and property under construction, net	(13,803)	-	-	-	-	-	-	-	-	-	(13,803)
Net gains (losses) from investments and other finance income (expenses)	9,832	(27,783)	(30)	(5,407)	(3,489)	(571)	(259)	(9,726)	2,166	(19,251)	(44,792)
Income from management fees	-	1,291	-	-	-	-	-	-	-	-	1,291
Income from grant of consumer credit	-	-	-	-	-	-	-	-	65,984	(308)	65,676
Income from commissions	-	3,843	756	15,496	-	3,232	49	18,777	-	-	23,376
Other income	-	-	-	-	-	-	-	-	-	740	740
Total income	56,632	48,353	63,776	53,034	292,763	34,976	4,387	385,160	68,150	(20,755)	601,316
EXPENSES											
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	-	(345)	34,762	25,118	233,436	20,904	3,862	283,320	-	-	317,737
Marketing and other acquisition expenses	-	20,355	17,872	17,750	44,471	9,884	718	72,823	35,850	354	147,254
Maintenance, administrative and general expenses	18,264	8,326	8,590	5,992	13,501	3,003	368	22,864	65,612	3,939	127,595
Finance expenses	27,108	84	77	726	232	101	3	1,062	9,301	24,656	62,288
Income from revaluation of an option to Leumi Partners	-	-	-	-	-	-	-	-	-	(8,620)	(8,620)
Other expenses	-	-	-	-	-	-	-	-	-	481	481
Total expenses	45,372	28,420	61,301	49,586	291,640	33,892	4,951	380,069	110,763	20,810	646,735
Income (loss) before taxes on income	11,260	19,933	2,475	3,448	1,123	1,084	(564)	5,091	(42,613)	(41,565)	(45,419)
Other comprehensive income (loss) before taxes on income	(35,681)	788	890	(9,785)	(4,580)	(669)	(445)	(15,479)	-	(10,522)	(60,004)
Comprehensive income (loss) before taxes on income	(24,421)	20,721	3,365	(6,337)	(3,457)	415	(1,009)	(10,388)	(42,613)	(52,087)	(105,423)

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)**b. Hereunder is the breakdown of results of the segments of activity: (Cont.)

	Three months ended as at March 31, 2019										
	Investment property	Life assurance and long term savings	Health insurance	General insurance				Consumer credit granted	Unallocated and offset in activities between segments	Total	
				Motor act	Motor casco	Property and others	Other liabilities				
	Unaudited										
NIS in thousands											
INCOME											
Premiums earned on retention	-	65,857	61,602	65,335	316,916	29,207	4,156	415,614	-	-	543,073
Income from lease of properties	60,537	-	-	-	-	-	-	-	-	(1,844)	58,693
Increase in value of investment property and property under construction, net	442	-	-	-	-	-	-	-	-	-	442
Net gains from investments and other finance income	8,512	12,535	233	2,236	1,130	252	87	3,705	899	5,301	31,185
Income from management fees	-	1,340	-	-	-	-	-	-	-	-	1,340
Income from grant of consumer credit	-	-	-	-	-	-	-	-	147,170	(150)	147,020
Income from commissions	-	1,690	544	15,206	-	4,378	-	19,584	-	-	21,818
Other income	6,143	-	-	-	-	-	-	-	9	117	6,269
Total income	75,634	81,422	62,379	82,777	318,046	33,837	4,243	438,903	148,078	3,424	809,840
EXPENSES											
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	-	42,421	25,320	58,449	233,806	18,316	1,654	312,225	-	-	379,966
Marketing and other acquisition expenses	-	17,819	18,455	14,826	40,025	7,891	486	63,228	44,000	-	143,502
Maintenance, administrative and general expenses	16,883	6,445	7,666	5,552	13,613	2,455	266	21,886	44,222	3,511	100,613
Finance expenses	22,124	17	-	347	109	82	-	538	7,843	21,660	52,182
Total expenses	39,007	66,702	51,441	79,174	287,553	28,744	2,406	397,877	96,065	25,171	676,263
Income (loss) before taxes on income	36,627	14,720	10,938	3,603	30,493	5,093	1,837	41,026	52,013	(21,747)	133,577
Other comprehensive income (loss) before taxes on income	(33,194)	53	39	7,323	3,696	826	281	12,126	-	1,114	(19,862)
Comprehensive income (loss) before taxes on income	3,433	14,773	10,977	10,926	34,189	5,919	2,118	53,152	52,013	(20,633)	113,715

CONDENSED INTERIM CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS**NOTE 3:- SEGMENTS OF ACTIVITY (Cont.)**b. Hereunder is the breakdown of results of the segments of activity: (Cont.)

	Year ended as at December 31, 2019										
	Investment property	Life assurance and long term savings	Health insurance	General insurance				Consumer credit granted	Unallocated and offset in activities between segments	Total	
				Motor act	Motor casco	Property and others	Other liabilities				
	Audited										
NIS in thousands											
INCOME											
Premiums earned on retention	-	269,570	253,005	207,386	1,259,568	124,630	17,614	1,609,198	-	-	2,131,773
Income from lease of properties	241,905	-	-	-	-	-	-	-	-	(7,728)	234,177
Increase in value of investment property and property under construction, net	159,161	-	-	-	-	-	-	-	-	-	159,161
Net gains on investments and other finance income	20,482	33,247	1,018	34,145	17,724	2,447	1,490	55,806	2,823	55,113	168,489
Income from management fees	-	5,434	-	-	-	-	-	-	-	-	5,434
Income from grant of consumer credit	-	-	-	-	-	-	-	-	610,483	(826)	609,657
Income from commissions	-	11,336	2,716	67,154	-	14,861	-	82,015	-	-	96,067
Other income	6,143	-	-	-	-	-	-	-	-	2,389	8,532
Total income	427,691	319,587	256,739	308,685	1,277,292	141,938	19,104	1,747,019	613,306	48,948	3,413,290
EXPENSES											
Payments and change in liabilities in respect of insurance contracts and investment contracts on retention	-	143,494	109,168	201,374	937,450	78,708	9,752	1,227,284	-	-	1,479,946
Marketing and other acquisition expenses	-	69,147	68,735	74,042	159,693	35,572	2,197	271,504	184,065	433	593,884
Maintenance, administrative and general expenses	70,331	27,669	31,917	22,550	53,407	10,757	785	87,499	194,730	16,735	428,881
Finance expenses	133,647	241	205	2,253	1,094	424	-	3,771	46,330	118,755	302,949
Loss from revaluation of an option to Leumi Partners	-	-	-	-	-	-	-	-	-	13,210	13,210
Other expenses	-	-	-	-	-	-	-	-	10	723	733
Total expenses	203,978	240,551	210,025	300,219	1,151,644	125,461	12,734	1,590,058	425,135	149,856	2,819,603
Income (loss) before taxes on income	223,713	79,036	46,714	8,466	125,648	16,477	6,370	156,961	188,171	(100,908)	593,687
Other comprehensive income (loss) before taxes on income	(62,127)	(852)	(956)	7,131	1,861	146	309	9,447	-	1,802	(52,686)
Comprehensive income (loss) before taxes on income	161,586	78,184	45,758	15,597	127,509	16,623	6,679	166,408	188,171	(99,106)	541,001